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RUEATRS/DEPT OF TREASURY WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 ABIDJAN 001094

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STATE FOR AF/W PLUMB, DS
STATE PASS TO U.S. SECRET SERVICE
AMEMBASSY PARIS FOR USSS, AFRICA WATCHERS
TREASURY FOR D. PETERS

E.O. 12958: DECL: 10/24/2017
TAGS: [ECON](#) [PGOV](#) [PREL](#) [KCRM](#) [IV](#)
SUBJECT: THE COUNTERFEIT DOLLAR AFFAIR - GBAGBO ENTOURAGE
ACCUSED, BUT EVADES PROSECUTION

REF: A. RSO ABIDJAN CLASSIFIED EMAILS TO DS
[1](#)B. ABIDJAN 1042

Classified By: EconChief EMassinga, Reasons 1.4 (b,d)

This is an action request. See para 9

[1](#)1. (C) Summary. On October 11, police and prosecutors made public allegations that a counterfeit US dollar ring had been broken up in Abidjan. Three high-level officials close to the President were implicated by the accused owner of the premises in which the evidence had been found. The next day, President Gbagbo himself ordered an investigation to pursue the matter "no matter where it ultimately leads." After a one-day trial on October 17, however, only the owner of the premises, as well as the premises' caretaker, were convicted and sentenced to two years imprisonment and a fine equivalent to USD 400,000. Embassy LE Staff (RSO) examined the evidence and found far fewer notes than had been mentioned in sensational press coverage of the affair. If Washington agencies would like to examine the evidence seized by the police and used in the conviction, Embassy Abidjan will have to send an official request to the Government of Cote d'Ivoire. End Summary.

The Initial Facts
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[1](#)2. (U) On October 4, police reported responding to a call from Mr. Ottro Zirignon in the tony Deux Plateau area about a criminal attempt to invade his home. Police arrived on the scene and reported chasing, but not catching, the assailants, who had not penetrated the Zirignon home. In the police's subsequent sweep of the adjacent area, they entered a house still under construction being occupied by Ousmane Gnade, a Burkinabe national who was squatting on the premises and being paid by the house's owner to do so (a common arrangement; Abidjan is full of semi-finished houses in its wealthier neighborhoods). The police then reported, according to press accounts of the episode, finding a crate full of counterfeit US dollar notes denominated at USD 2 million, along with equipment and paper to manufacture more. The caretaker/squatter immediately informed the police that the home was owned by Mr. Stephane Yed.

[1](#)3. (U) Yed was called in by the police the evening of October 4th, at which time he said immediately that while the home's deed indicates it belongs to Yed, in reality the house belonged to Mr. Patrice Bai. Bai was summoned to the local police headquarters where he was also questioned. Bai denied

involvement in either the production of counterfeit dollars or ownership of the house.

¶4. (U) On October 12, one day after the case had become public, President Gbagbo personally visited the police station and the public prosecutor pursuing the affair. In an unusual move, Gbagbo ordered the prosecutor to follow the case to its conclusion, no matter where it led and who it involved, even if those implicated are within the President's entourage.

The Personalities

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¶5. (C) With the exception of Yed, the personalities involved are not mundane figures. Mr. Ottro Zirignon is the Chairman of the SIR (the French acronym for the National Refining Company), a major state enterprise and also reportedly an uncle to President Gbagbo. Both SIR and Ottro Zirignon have been accused of involvement in funding the activities of President Gbagbo's Front Populaire Ivoirien (FPI) and its associated groups and militias. Ottro Zirignon is also married to Sarrata Ottro Toure, a powerhouse within the Presidency who holds the posts of Ambassador At-Large/liaison with the diplomatic community and deputy chief of staff (Sarrata Ottro is also coincidentally a former Embassy Abidjan LE Staff). Patrice Bai is the President's longtime security chief, and had been accused of directing "death squads" active in Abidjan after the August 2002 coup. Bai acknowledged an association with Yed during an October 15 interview with Abidjan daily "Notre Voie," saying Yed's older brother is a close friend.

The Legal Outcome

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¶6. (C) The case immediately generated a press furor, particularly among the opposition political parties and independent press. Banner headlines speculated that Bai was the mastermind behind the counterfeiting ring. Similar headlines speculated about the role of the Ottro family, some asking why they were not aware of or did not report suspicions about the reportedly large Yed house when the owner's economic resources were unclear, but construction proceeded at a steady, rapid clip. Further inflaming public interest in the case were headlines indicating U.S. Embassy Abidjan was "interested in providing information on the case" (newspapers evidently took out of context a call from LE staff to the prosecutor simply inquiring into the status of the case). After a one-day delay, reportedly to allow Embassy to comment (Note: no/no official request for assistance was ever made to the Embassy by the prosecution), the trial went forth on October 17.

¶7. (SBU) At the trial, Yed abruptly recanted his claim that Bai was the real owner of the house. Yed and Gnada, the caretaker, were convicted and sentenced to 2 years in prison and a 2 million CFA fine (approximately USD 400,000) for the retention of equipment suspected in the use of counterfeiting. Of note was the fact that Yed and Gnada were not/not convicted of counterfeiting itself, which would have carried the possibility of a 5 year sentence and CFA 100 million fine.

RSO Examines the Evidence

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¶8. (C) A strange coda to this affair is that subsequent to the trial, an LE Staff from Embassy's RSO office went to examine the allegedly counterfeit USD 100 bills. The LE staff saw four USD 100-denominated bills, a far cry from USD 2 million. The LE staff also saw a substantial volume of blank paper ostensibly for additional counterfeiting and a printing machine. Ivoirian authorities did not provide LE

staff or Emboffs a sample of the currency, or allow photos to be taken of the equipment.

¶9. (C) Action Request: If Washington agencies are interested in obtaining a sample bill for testing and/or photos of the forging equipment, Embassy would need to send an official request in the form of a diplomatic note. Please advise if Embassy should pursue this course of action. End request.

¶10. (C) Comment. The counterfeit dollar affair added to a public perception that the Presidency is beset by scandals reaching its inner core (the Fulton Chocolate affair (reftel b) and the revived Andres Kieffer mystery). This perception has been driven by the opposition as well as independent press. Clearly, the accusations had the President somewhat unnerved, given his unusual direct request for the investigation. As with the furor over the Fulton affair and other accusations of corruption leveled at the Presidency, the issue appears to be fading in the absence of concrete evidence going beyond what was exposed during the brief October 17 trial. End Comment.
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